

KANSAS RACING AND GAMING COMMISSION

MINUTES – JUNE 21, 2019

CALL TO ORDER
(A.)

Chairman Brandon Jones called the June 21, 2019 meeting to order at 9:00 a.m. The meeting was held in the East Tower Conference Room of the Eisenhower State Office Building, 700 SW Harrison, in Topeka, KS. Commissioners David Moses, Larry Turnquist, and Dave Myres were also present. Others present included Executive Director Don Brownlee, General Counsel Judith Taylor, Director of Administration, Audit, and Finance Brandi White, Director of Electronic Gaming Roger Bailey, Director of Security Joe Herridge, Recording Secretary Sarah Lynch-Chaput, and other staff.

MOTION, APPROVE
AGENDA
(B.)

Commissioner Turnquist (Myres) moved to approve the agenda. Motion carried unanimously.

MOTION, APPROVE
May 17, 2019
MEETING MINUTES
(C.1.)

Commissioner Moses (Turnquist) moved to approve the minutes of the May 17, 2019 meeting. Motion carried unanimously.

MOTION, APPROVE
CONSENT AGENDA
(D.)

Commissioner Turnquist (Myres) moved to approve the consent agenda. Motion carried unanimously.

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; BOOT
HILL CASINO & RESORT
(E.1.a.)

Diane Giardine, General Manager, reported:

- May 2019 revenue numbers compared to May 2018:
 - Total gaming revenue increased 4.45%
 - Total slot revenue increased 10.47%
 - Table games revenue decreased 35.29%
- Past Promotions and Events:
 - Mother's Day Buffet
 - Memorial Day Buffet and Cooler Giveaway
 - Quart Slow Cooker Giveaway
 - Father's Day Baseball Ticket Giveaway
 - Starship featuring Mickey Thomas, June 15th
- Upcoming Promotions and Events:
 - Earn & Eat Mondays
 - \$50,000 Lucky Roll on Saturdays
 - Earn and Win Amazon Gift Cards
 - Virlan Garcia June 28th

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
STAR
(E.2.a.)

Jeff Babinski, General Manager, reported:

- May 2019 revenue numbers compared to May 2018:
 - Admissions down 0.22%
 - Total gross gaming revenue up 10.7%
 - Slot coin-in up 11.7%
 - Slot hold down 0.02 points
 - Table games drop up 8.9%
 - Table games hold down 1.08 points
 - Poker room revenue up 1.4%
- Past Events and Promotions:
 - Kansas High School Rodeo Championship, May 31st to June 2nd
 - Southern Plains Regional Wrestling Tournament, June 6th to 9th
 - Trace Adkins, June 15th
- Upcoming Events and Promotions:
 - Asian Variety Show and Fashion Show, July 13th
 - Wichita Flea Market, July 21st
 - EFC, August 3rd
 - KEMSA, August 7th to August 11th
 - Wichita Flea Market, August 24th

LOTTERY GAMING
FACILITY
REPORTS/ITEMS;
HOLLYWOOD CASINO AT
KANSAS SPEEDWAY
(E.3.a.)

Rick Skinner, Vice President and General Manager, reported:

- May 2019 revenue numbers compared to May 2018:
 - Total gaming revenue was \$13.5 million, an increase of 7.3%
 - Table games revenue was \$1.5 million, an increase of 4.7%
 - Slot revenue was \$12 million, an increase of 7.6%
- Past Events and Promotions:
 - NASCAR Weekend at Kansas Speedway and Party on the Patio, May 10th and 11th
 - Final Fridays on the Patio, May 31st
 - Norwegian Cruise Line Event, June 1st
- Upcoming Events and Promotions
 - VIP Mystery Drum, June 22nd
 - U-Pick, U-Pull, U-Win and Final Friday on the Patio, June 28th
 - Quesadilla Maker Giveaway, June 29th
 - Cooler Giveaway, July 4th

LOTTERY GAMING
FACILITY
REPORTS/ITEMS; KANSAS
CROSSING CASINO
(E.4.a.)

Doug Fisher, General Manager, reported:

- May 2019 revenue numbers compared to May 2018:
 - Admissions decreased 5.3%
 - Net slot revenue increased 16.9%
 - Net table games win decreased 0.7%
 - Net gaming revenue increased 15.8%
- Past Events and Promotions:
 - Grab a Grill Drawing, May 18th
 - VIP Brunch, May 19th
 - Bank Account Bonanza, May 25th
 - Dollars and Davidson – Harley Davidson Giveaway, May 25th
 - National Donut Day Smash and Grab, June 7th
 - Invitational Blackjack Tournament, June 15th
- Upcoming Events and Promotions:
 - Jim Wand, June 22nd
 - xWE Professional Wrestling, July 6th
 - 38 Special Rock Group, July 12th
 - Colt Ford, July 26th
 - “Raise the Ruff” Benefit Concert for Southeast Kansas Humane Society, July 27th

COMMISSION ITEMS –
OLD BUSINESS
(F.)

There were no old business items.

COMMISSION ITEMS –
NEW BUSINESS
(G.)

Judith Taylor, General Counsel, presented on amended regulation K.A.R. 112-105-1(b) and the new KRGC firearms policy.

MOTION – APPROVE
AMENDED REGULATION
K.A.R. 112-105-1(b)
(G.)

Commissioner Myres (Turnquist) moved to approve the draft amendment of Security Department regulation K.A.R. 112-105-1(b), pertaining to carrying firearms in a lottery gaming facility, as presented by commission staff, and forward the amendment to the Department of Administration to begin the regulatory change process. Motion carried unanimously.

MOTION – APPROVE
KRGC FIREARMS POLICY
(G)

Commissioner Moses (Turnquist) moved to approve the Carrying Firearms in a Lottery Gaming Facility policy as presented by commission staff so the agency can immediately adhere to the requirements of the Kansas Personal and Family Protection Act while amended regulation K.A.R. 112-105-1(b) is in the process of being approved by the Department of Administration. Motion carried unanimously.

PUBLIC COMMENTS
(H.)

There were no public comments.

STAFF REPORTS
(I.1.a. and I.2)

Sarah Lynch-Chaput, Paralegal, reported on the Voluntary Exclusion Program statistics for the month of May 2019.

Executive Director Brownlee reported:

- An update on sports wagering legislation in neighboring states:
 - Nebraska did not have any sports wagering legislation proposed.
 - Missouri did not pass sports wagering legislation.
 - Colorado passed legislation that will authorize a ballot issue to approve sports wagering.
 - Arkansas did pass sports wagering and approved two new casinos. One casino in Arkansas already has sports wagering up and running.
 - Iowa approved sports wagering, but does not yet have its rules and regulations approved.
- A new casino in Guymon, Oklahoma may open at the end of June or in the first part of July 2019. This casino may have some impact on Boot Hill Casino.
- The legislature passed a 2.5 percent salary increase to employee pay which will be available to all KRGC employees.
- The next commission meeting will take place on July 19, 2019 at 10:00 a.m. in Topeka.

DISCIPLINARY REVIEW
PROCESS
(J.)

A disciplinary proceeding was held in the matter of KRGC case number 2019-2004 (Jasmin Hammons). The commission reviewed evidence and heard statements from Enforcement Attorney Michelle Neis. Respondent did not respond to the summary proceeding order and did not appear at the hearing.

MOTION TO UPHOLD
DRB'S
RECOMMENDATION
(J.1)

Commissioner Moses (Turnquist) moved to uphold the Disciplinary Review Board's findings of facts, conclusions of law, and sanction issued in KRGC case number 2019-2004 In the Matter of Jasmin Hammons. Motion carried unanimously.

MOTION, EXECUTIVE
SESSION; ATTORNEY-
CLIENT PRIVILEGE AND
BACKGROUND REPORTS

Commissioner Myres (Turnquist) moved that the Commission go into executive session for the purpose of (1) confidential attorney-client privileged communications; and (2) reviewing the list of confidential

(K.1 AND K.2)

backgrounds for licensing. Those included in the executive session were the commissioners, executive director, and general counsel for attorney-client privilege; and the commissioners, executive director, general counsel, and director of security for reviewing the list of confidential backgrounds for licensing. The total time for the executive session was anticipated to be twenty minutes until 10:04 a.m. No action is to be taken in executive session, and the subjects discussed are to be limited as previously described. A full record of this motion is to be maintained as part of the permanent record of the Kansas Racing and Gaming Commission. At the conclusion of the executive session, the meeting is to be continued in open session. The motion carried unanimously and the meeting was adjourned to executive session at 9:44 a.m.

RECONVENE

The commission meeting returned to open session at 10:04 a.m. with all members present.

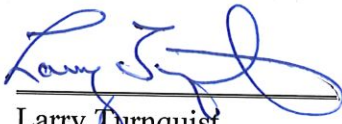
MOTIONS ON LICENSE
APPLICATIONS
(L.)

Commissioner Turnquist (Myres) moved to *deny* one license applications, and *approve the request for reconsideration* of one license application, *conditionally approve the request for reconsideration* of one license application, *conditionally approve* four license applications, *table* one license application and *approve* the remaining 261 license applications from the June 21, 2019 list of background reports referred to the commission for action. Motion carried unanimously.


ADJOURN
(M.)

Commissioner Myres (Moses) moved to adjourn the meeting. Motion carried unanimously. The meeting was adjourned at 10:06 a.m.

SUBMITTED BY:


Larry Turnquist
Secretary

APPROVED BY:


Brandon Jones
Chairman